

## NEWS RELEASE

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**FOR MORE INFORMATION:**

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### **Numerous Complaints Result in Warning to Medicare Recipients**

Medicare beneficiaries should be aware of increased marketing of Medicare Advantage plans across Nebraska this spring. According to officials at the State of Nebraska Department of Insurance, many senior citizens are enrolling in Medicare Advantage plans without a complete understanding of the structure and guidelines of these programs.

“We’re seeing a number of people who, in order to save money, have signed up with Medicare Advantage plans, however, many are discovering that decision was not in their best financial interest,” said Tim Wagner, Director of the Department of Insurance.

Medicare Advantage products are a unique alternative to original Medicare and Medicare supplement plans. Consumers pay little or no premium for a Medicare Advantage plan and all Medicare services are billed through a private insurance company. Medicare Advantage plans typically cover the same services as original Medicare, with some offering extra benefits, such as dental and prescription drug coverage.

The Department of Insurance’s Senior Health Insurance Information Program (SHIIP) wants Medicare recipients to know the facts about Medicare Advantage:

- **You are responsible for co-pays.** Under Medicare Advantage, you must pay co-payments for each Medicare-covered service, such as physician office visits and inpatient hospital stays. These co-pays vary according to plan.

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- **Your provider may or may not accept your plan.** Doctors or hospitals from which you receive care are not required to accept payment from Medicare Advantage plans. If the provider does not accept the plan, you are responsible for the entire payment.

Jina Ragland, SHIIP Coordinator, believes aggressive sales tactics and the new prescription drug benefit contribute to the confusion surrounding Medicare Advantage.

“It’s important for Medicare beneficiaries to consider their options carefully and not be pressured into a quick decision,” Ragland said. “Discuss plans with a family member before enrolling. SHIIP counselors are also trained to assist beneficiaries with their health insurance questions.”

Federal marketing guidelines prohibit representatives offering Medicare Advantage plans from making door-to-door sales calls. Home visits must be arranged over the phone. Before agreeing to an appointment, a beneficiary should verify the representative’s identity and the company he/she represents.

New Medicare prescription drug and Medicare Advantage plans became available to everyone with Medicare on January 1, 2006. The initial enrollment period for this voluntary program continues until May 15, 2006.

“Everyone with Medicare must make a decision about the new prescription drug benefit,” said Director Wagner. “SHIIP and the Department of Insurance are available to provide free, unbiased counseling to Nebraska beneficiaries.”

*The Nebraska Senior Health Insurance Information Program (SHIIP) is part of a national network, funded by a grant from the Centers for Medicare & Medicaid Services, that offers unbiased counseling and educational services designed to help senior citizens and those with disabilities make informed decisions on topics related to health insurance. With over 300 volunteers across the state, the Nebraska SHIIP is coordinated within the Nebraska Department of Insurance.*